



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

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January 9, 2003

IN REPLY PLEASE
REFER TO FILE: **PD-3**

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**JOINT FINANCING AGREEMENT
SAUGUS UNION SCHOOL DISTRICT COMMUNITY FACILITIES DISTRICT
SUPERVISORIAL DISTRICT 5
3 VOTES**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Adopt the enclosed resolution declaring that a Joint Financing Agreement with the Saugus Union School District and SunCal/Tesoro, a Delaware Limited Liability Company, for the County to accept ownership and maintenance of improvements being constructed as part of the Saugus Union School District's Community Facilities District No. 2002-01 (Tesoro Del Valle) in Canyon Country, is beneficial to the residents of the County.
2. Approve and instruct the Chair to sign the enclosed Joint Financing Agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Saugus Union School District is currently processing various off-site elements of Community Facilities District No. 2002-02 with SunCal/Tesoro. These off-site elements, which include Bridge and Major Thoroughfare District fees and Traffic Impacts fees, will be financed from a proposed community facilities district. Since these fees are conditions of approval for subdivision development within the unincorporated area, and in order for the financing that is being proposed by the Saugus Union School District and the SunCal/Tesoro to be effective, the County must declare that the joint financing agreement is beneficial to its residents and indicate its willingness to accept ownership and maintenance of the future improvements funded by these fees.

The agreement includes a provision that the County shall review and process for approval the proposed subdivisions in accordance with our standard procedures, including plan revision and inspection.

The Joint Financing Agreement shall automatically terminate if the Saugus Union School District has not formed the assessment district and sold the bonds prior to June 30, 2003. The SunCal/Tesoro may also terminate the agreement by written notice to the Saugus Union School District and the County.

The Community Facilities District is being processed by the Saugus Union School District. Certain off-site elements are within the unincorporated area. The SunCal/Tesoro will finance a portion of certain off-site improvements that will have a regional benefit of improving the flow of traffic and enhancing flood control protection.

Implementation of Strategic Plan Goals

This agreement furthers our commitment to service excellence through the provision of regional infrastructure improvements that will have a positive impact on the quality of life of County residents.

FISCAL IMPACT/FINANCING

The Resolution and Joint Financing Agreement do not include any financial obligation for the County. The maintenance and operation of future improvements that will be financed with these fees will be performed as part of a routine function of Public Works using Road Funds.

The future improvements within the unincorporated area will be financed as part of the community facilities district. This community facilities district will be formed by the Saugus Union School District and will not include any financial obligation for the County.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Resolution and Joint Financing Agreement, which are in accordance with the provisions of Section 53316.2 of the California Government Code, have been approved as to form by County Counsel.

The Honorable Board of Supervisors
January 9, 2003
Page 3

ENVIRONMENTAL DOCUMENTATION

The Environmental Impact Report for Tentative Tract No. 51644 was approved and certified by the Department of Regional Planning on December 21, 1998.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The review and approval of these subdivisions is under the purview of the County as a routine function of Public Works.

CONCLUSION

Upon the adoption of the resolution, please return one certified copy to us for transmittal to the Saugus Union School District.

The enclosed agreement is being executed in counterparts. Enclosed are three originals and a County file copy of the Joint Financing Agreement. Upon approval, please return the three originals of the agreement and three approved copies of this letter to Public Works for further processing. We will return the County original to you upon our receipt of the counterparts from the Saugus Union School District and the SunCal/Tesoro. At that time, you may conform the County file copy and forward it to County Counsel.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

MD:cr
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Enc.

cc: Chief Administrative Office
County Counsel
Treasurer and Tax Collector

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES, CALIFORNIA, DECLARING
SAUGUS UNION SCHOOL DISTRICT COMMUNITY FACILITIES DISTRICT'S
JOINT FINANCING AGREEMENT TO BE BENEFICIAL TO THE
RESIDENTS OF THE COUNTY OF LOS ANGELES**

WHEREAS, the Saugus Union School District (School District) and SunCal/Tesoro, LLC., (Company) have, heretofore, entered into that certain School Facilities Funding Agreement as it may be amended (the "Funding Agreement") regarding the Tesoro Del Valle project; and

WHEREAS, in accordance with the Funding Agreement, School District is considering proceedings pursuant to the provisions of the "Mello-Roos Community Facilities Act of 1982" (the "Act") for the financing of future highway improvements (the "County Facilities") and elementary school facilities (the "School Facilities"), and levy special taxes on properties within the proposed Community Facilities District; and

WHEREAS, County of Los Angeles (County) is a political subdivision of the State of California and is authorized to provide public infrastructure, which will be beneficial to the residents of County; and

WHEREAS, County Facilities will be under the ownership, management, and control of County; and

WHEREAS, the School District, County, and the Company desire at this time to enter into a Joint Financing Agreement pursuant to the provisions and authorization of Section 53316.2 of the Act.

NOW, THEREFORE, BE IT RESOLVED, by the County of Los Angeles Board of Supervisors, State of California, that such a joint financing agreement would be beneficial to the residents of County.

The foregoing Resolution was on the ____ day of _____, 2003, adopted by the Board of Supervisors of the County of Los Angeles and ex-officio of the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.

VIOLET VARONA-LUKENS
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN
County Counsel

By _____
Deputy

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